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**UNITED STATES BANKRUPTCY COURT**  
**CENTRAL DISTRICT OF CALIFORNIA**  
**SANTA ANA DIVISION**

In re  
FARIBORZ ZANJANEE BABAE AND  
MALIHE P. BABAE,  
  
Debtors.

Case No. 8:20-bk-10268-TA  
Chapter 7

**OMNIBUS REPLY TO DEBTORS' (1)  
OPPOSITION TO CHAPTER 7 TRUSTEE'S  
MOTION FOR ORDER APPROVING  
COMPROMISE OF CONTROVERSY  
PURSUANT TO FEDERAL RULE OF  
BANKRUPTCY PROCEDURE 9019 AND  
(2) OMNIBUS OPPOSITION TO MOTION  
TO APPROVE COMPROMISE AND  
MOTION TO APPROVE SALE**

DATE: October 12, 2021  
TIME: 11:00 a.m.  
PLACE: 5B  
411 West Fourth Street  
Santa Ana, CA 92701

(Hearing will be conducted remotely using  
ZoomGov audio and video)

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1 **TO THE HONORABLE THEODOR C. ALBERT, UNITED STATES**  
2 **BANKRUPTCY JUDGE:**

3 Richard A. Marshack, Chapter 7 trustee ("Trustee") for the bankruptcy estate  
4 ("Estate") of Fariborz Zanjane Babae and Malihe P. Babae ("Debtors"), hereby replies  
5 to the Debtors' oppositions to the Trustee's *Motion for Order Approving Compromise of*  
6 *Controversy Pursuant to Federal Rule of Bankruptcy Procedure 9019* [Docket No. 71]  
7 *("9019 Motion")* and *Motion for Order Authorizing Sale of Real Property Free and Clear of*  
8 *Liens, Claims, and Interests Pursuant to 11 U.S.C. §§ 363(b) and (f)* [Docket No. 79]  
9 *("Sale Motion")*.<sup>1</sup>

10 **I. INTRODUCTION**

11 In two separate pleadings, the Debtors object to two settlement agreements  
12 (collectively the "Agreements") that, if approved, will subordinate two consensual liens  
13 recorded against the Debtors' property ("Property"), transfer the subordinated liens to the  
14 Trustee and provide consent to a sale of the Property by each lienholder. The Debtors  
15 also object to the sale of the Property via the two separate pleadings.

16 In their objection filed August 31, 2021 [Docket No. 75] ("Objection 1"), the Debtors  
17 challenge the propriety of the settlement agreements on the grounds that: (1) no dispute is  
18 described in the 9019 Motion, (2) the 9019 Motion is a "circuitous attempt to object to the  
19 Debtors' homestead exemption," and (3) sales of fully encumbered property are  
20 "disfavored" and subject to "heightened scrutiny." In their objection filed September 28,  
21 2021 [Docket No. 84] ("Objection 2"), the Debtors claim: (1) the 9019 Motion should be  
22 denied because there is no dispute between the Trustee and the lienholders, and (2)  
23 FRBP 9019 cannot be used to override substantive provisions of the Bankruptcy Code.  
24 The Debtors' objections fail to raise a cognizable basis to deny the 9019 Motion.

25

26

27 <sup>1</sup> Capitalized terms have the same meaning or definition as the capitalized terms in the Motion.  
28

1 The Debtors contend the liens to be subordinated and transferred to the Trustee  
2 are not in dispute and, therefore, are not subject to compromise or settlement. Objection  
3 1, p.3:9-19, and Objection 2, p.9:9-10. The Debtors provide no support for their contention  
4 that a dispute must exist before a compromise or settlement can be approved by the  
5 Court. *Id.* In fact, the standard for approval of a compromise does not require a dispute  
6 exist before a compromise can be approved. See FRBP 9019; and see *In re A & C*  
7 *Properties*, 784 F.2d 1377, 1381 (9<sup>th</sup> Cir. 1986). Hence, there is no basis to sustain the  
8 Debtors' first objection.

9 The Debtors also invite the Court to deny the 9019 Motion because it is a disguised  
10 objection to their claim of exemption asserted against the Property. See Objection 1,  
11 p.3:20-26, p.3:27-28, and p.4:1-8, and Objection 2, p.9:14-28, and p.10:1-2. The Debtors'  
12 claim is at odds with the relief sought in the Motion. The Trustee only seeks approval of  
13 the Agreements, authority to enter into the Agreements, and authority to execute any  
14 documents or take any other action in furtherance of the Agreements. The Debtors'  
15 second challenge is baseless and should be overruled.

16 Finally, the Debtors claim the sale, which is the subject of the Sale Motion and not  
17 the 9019 Motion, is improper. Objection 1, p.4:9-26. The Agreements provide more than  
18 \$273,000 of unencumbered assets to the Estate. The Agreements also provide the  
19 requisite consent of two secured creditors to the sale of the Property. The benefit of the  
20 transactions contemplated in the Agreement is abundantly clear notwithstanding the  
21 Debtors' contention that the sale is improper. Because there is a clear benefit to the  
22 Estate, the 9019 Motion should be granted and the compromises approved.

23 The Debtors also object to the Sale Motion via Objections 1 and 2,<sup>2</sup> claiming that:  
24 (1) the Trustee is attempting to use third-party carve out agreements to effectively  
25

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26  
27 <sup>2</sup> Debtors make some arguments in Objection 1 regarding the propriety of a sale of the Property. The  
28 Sale Motion was not yet filed at that time and therefore any arguments in Objection 1 about a sale were

(Continued...)

1 surcharge the Debtors' homestead exemption, (2) the Trustee has not rebutted the  
2 presumption of impropriety for a sale of over encumbered property, (3) the Trustee and  
3 his professionals are the "primary financial beneficiaries" of the proposed sale and that  
4 general unsecured creditors will not receive any distribution, and (4) that the Court should  
5 order the Trustee to abandon the Property because it is burdensome and of  
6 inconsequential value or benefit to the Estate. As more fully set forth below, these  
7 objections are largely without merit.

8 First, the Trustee has revised the proposed distribution scheme regarding the  
9 proceeds from the sale of the property to address the Debtors' argument regarding  
10 surcharge. Second, while the Trustee does not believe that the presumption of  
11 impropriety applies to the contemplated sale, the Trustee nevertheless has met the  
12 standard for overcoming that presumption. Third, the Trustee and his professionals are  
13 not necessarily the "primary financial beneficiaries" of the proposed sale and general  
14 unsecured creditors are not required to be guaranteed a distribution from the sale in order  
15 for the Court to approve it – a meaningful distribution to priority unsecured creditors is  
16 sufficient. Lastly, the Debtors' request for abandonment is procedurally improper, and  
17 must be made by a separately noticed motion. Because the proposed sale of the  
18 Property will generate significant funds to pay unsecured creditors, it is in the best interest  
19 of the Estate and the Sale Motion should be granted.

20 **II. ARGUMENT REGARDING 9019 MOTION**

21 **A. The Trustee Is Not Required to Demonstrate a Dispute Exists.**

22 The Debtors challenge the appropriateness of the compromise reached under a  
23 theory that a dispute must exist before relief is available under FRBP 9019. No such  
24 requirement exists. See FRBP 9019; and see *In re A & C Properties*, 784 F.2d 1377,

25 \_\_\_\_\_  
26 (...Continued)

27 premature and inapplicable. However, as those arguments are largely repeated in Objection 2, the Trustee  
28 will address them nevertheless.

1 1381 (9<sup>th</sup> Cir. 1986). Additionally, bankruptcy courts are given great latitude in approving  
2 compromise agreements. A bankruptcy court's discretion is not unlimited; compromises  
3 must be fair and equitable. *Woodson v. Fireman's Fund Ins. Co. (In re Woodson)*, 839  
4 F.2d 610, 620 (9<sup>th</sup> Cir. 1988). Such agreements must also be reasonable under the  
5 particular circumstances of the case, and in the estate's best interests. *In re Mickey*  
6 *Thompson Entertainment Group, Inc.*, 292 B.R. 415, 420 (B.A.P. 9<sup>th</sup> Cir., 2003).

7 Under the agreements, the portions of the liens held by Comerica and CNB/VEDC  
8 will be subordinated and transferred to the Trustee under 11 U.S.C. § 510(c). The value  
9 of the liens is approximately \$273,325. Although the transfer of each lien is conditioned  
10 upon a sale of the Property, once the sale occurs, \$273,325 will be paid to the Trustee for  
11 the benefit of unsecured creditors. In sum, the Trustee will receive assets collectively  
12 worth \$273,325 in exchange for nothing other than the costs to liquidate the Property.  
13 The compromises are fair, equitable, reasonable under the circumstances and in the best  
14 interest of the Estate.

15 Assuming, arguendo, the Debtors are correct and Rule 9019 does not apply  
16 because a dispute does not exist, the agreements can be approved by the Court as  
17 stipulations between the parties which do not bind any other party and approval under  
18 Rule 9019 is not required. See *In re Flores*, 2013 WL 6186262 at \*7 (Bankr. C.D. Cal.  
19 2013) ("... Rule 9019 approval can be read as permissive rather than mandatory where  
20 the parties are not seeking to bind anyone other than the parties to the stipulation. *In re*  
21 *Hall*, 2010 Lexis 1487 (Bankr.D. Kansas 2010). Where settlements are simply stipulations  
22 between two parties, without an opportunity for all to be heard, notice need not be given to  
23 all under Rule 9019, as they do not seek to bind others. 8 *Norton Bankruptcy Law &*  
24 *Practice* 167:1 (Thompson/West 2009); *In re Optin Beal Big.com, LLC*, 345 B.R. 277, 291  
25 (Bankr. D. Colo. 2006)).

26 Here, the Trustee has reached two agreements to subordinate a portion of each  
27 secured claim to all other claims of the Estate and obtain a portion of each lien from each  
28 creditor. The acquisition of portions of each lien do not impact the rights of any party



1 other than Comerica and CNB/VEDC, including the Debtors. Instead, the Trustee has  
2 acquired the lien positions and rights of Comerica and CNB/VEDC and only Comerica and  
3 CNB/VEDC are impacted by the transactions contemplated by the Agreements.

4 The Agreements do not impact the Debtors' homestead exemption. In the event of  
5 a sale of the Property during the bankruptcy case, the entire liens of Comerica and  
6 CNB/VEDC must be paid before the Debtors' homestead exemption is paid unless one or  
7 both liens are avoided because the Property remains liable. See 11 U.S.C. § 522(c)(2)  
8 (unless a lien is avoided under §§ 522(f) or (g), or 544, 545, 547, 548, 549 or 724(a) or  
9 declared void under § 506(d), property of the estate/debtor remains liable for the  
10 underlying debts associated with a lien). This is true even if the Agreements are approved  
11 because the Trustee is acquiring portions of each lien and the rights attendant thereto.  
12 Hence, the Agreements do not affect the rights of other parties, including the homestead  
13 rights of the Debtors, and can be approved by the Court even if Rule 9019 does not apply.

14 **B. The Motion Does Not Request the Court Adjudicate Any Exemption**  
15 **Rights the Debtors May Have in Connection with the Property**

16 The Debtors claim the Motion is "a circuitous attempt to object to Debtors'  
17 homestead exemption." Objection 1, p.3:20-26, p.3:27-28, and p.4:1-8. The Debtors'  
18 characterization of the relief requested by the Trustee is false.

19 The Motion refers to the Debtors' exemption in four places. Motion, p.3:24-25 and  
20 p.9:25-26. The first two references simply provide information relating to the Debtors'  
21 claim of exemption on a factual basis. Motion, p.3:24-25. The last two references explain  
22 the flow of proceeds from the sale of property encumbered by liens. Motion, p.9:25-26. In  
23 the Motion, the Trustee does not seek any relief in connection with the Debtors'  
24 homestead exemption. The Debtors' Objection should be overruled on this basis.

25 **C. The Liens Provide Significant, Unencumbered Assets to the Estate**

26 The Debtors also appears to argue the Agreements, which contemplate a sale,  
27 should not be approved because there is no benefit to the Estate if the Agreements are  
28

1 approved and the sale is conducted. Objection 1, p.4:9-28, p.5:1-24. The Debtors are  
2 wrong.

3 If the Agreements are approved, the Trustee estimates the Estate will receive liens  
4 against the Property that are over-encumbered and, therefore, worth approximately  
5 \$273,325 to the Estate. The Trustee concedes the value of the transferred liens will only  
6 be recognized if the Property is sold. If, however, the Property is sold and the Trustee  
7 recovers the penalty portion of a tax lien under § 724(a), the Trustee estimates  
8 approximately \$293,144.42 will be paid to the Estate after the first four deeds of trust, a  
9 tax lien and a portion of the Debtor's exemption is paid. Although the Debtors contend the  
10 Trustee's commission and fees of Estate professionals will consume the net amount  
11 generated from the sale, the Debtors fail to recognize these fees are not immutable.  
12 Instead, the Trustee and his professionals can reduce the amount paid on their fees from  
13 the recovered liens in order to ensure a meaningful distribution is made to unsecured  
14 creditors. Moreover, the Debtors fail to address the impact of the \$753,000 judgment the  
15 Trustee is separately pursuing. Should a recovery be secured, additional funds will be  
16 available to pay administrative expenses and unsecured claims.

17 Approval of the Agreements will enable the Estate to share in the proceeds  
18 generated from the Trustee's proposed sale of the Property in exchange for very little  
19 consideration. In short, the proposed Agreements provide a mechanism for the Estate to  
20 realize cash from the Property in a manner that is cost-effective and expedient.

21 **III. ARGUMENT REGARDING SALE MOTION**

22 **A. "Surcharge" of Exemption**

23 The Debtors argue the proposed distribution results in a surcharge of their  
24 homestead exemption. See Objection 2, 9:21-22.

25 The Trustee proposed a payment of costs of sale before payment to all secured  
26 creditors and the Debtors in the Motion. This, however, could be construed to be an  
27 impairment of the Debtors' homestead exemption. In order avoid any alteration of the  
28 Debtors' exemption rights, administrative expenses will paid from the transferred liens of

CNB/VEDC and the avoided lien of the IRS and the remainder of the sale proceeds will be paid to the Debtors on their homestead exemption. As is outlined below, the Trustee's revised distribution schedule is estimated to yield \$45,962.76 to the Debtors on their homestead exemption. Accordingly, the Debtors' homestead exemption is not impacted by the sale and will be paid pursuant to the distribution scheme provided by California law and the Bankruptcy Code.

**B. The Property Should be Sold Free and Clear of the Penalty Portion of the IRS Lien**

The Motion sought approval of a sale free and clear of the IRS lien with no portion of the IRS lien paid from the sale proceeds. Based upon the Trustee's reallocation of payment from the sale proceeds (i.e., a shift to payment of costs of sale from the transferred liens), sufficient sale proceeds will exist to pay the IRS lien in part, with the remaining part treated as disputed because a portion of the lien secured penalties.

Section 363(f)(4) permits a sale free and clear of certain liens, claims and interests where a bona fide dispute exists in connect with a lien, claim, or interest. § 363(f)(4). The Bankruptcy Code does not define the phrase "bona fide dispute." In adopting the Seventh Circuit's standard regarding the phrase "bona fide dispute" as it is used in § 363, the Ninth Circuit reasons that a "bona fide dispute" lies where there is "an objective basis for either a factual or legal dispute" regarding liability or the amount of a debt. *Liberty Tool v. Vortex Fishing Sys. (In Re Vortex Fishing Sys.)*, 277 F.3d 1057, 1065 (9th Cir. 2002); *In re Busick*, 831 F.2d 745, 750 (7th Cir. 1987).

The IRS filed a proof of claim for \$95,318.44. POC 4-1. Of that amount, \$850.00 is a priority unsecured claimed under § 507(a)(8). \$19,819.42 of the secured claim represents penalties, which may be avoided, recovered and preserved for the benefit of the Estate. See generally §§ 724(a), 726(a)(4), 550 and 551.

Section 724(a) unequivocally authorizes a bankruptcy court to set aside liens preserving penalties. See § 724(a). To date, the IRS has not conveyed the penalty portion of its lien to the Estate.

Although the Trustee believes an agreement will be reached with the IRS to avoid and set aside the penalty portion of its lien, the lien remains disputed because the penalty portion of the lien can be set aside and preserved for the benefit of the Estate under § 724(a). As such, the sale can be approved free and clear of the IRS lien because the validity of the penalty portion of the IRS lien is disputed. Section 363(b)(4) is satisfied as to the IRS lien.

**C. The Sale Will Provide Significant Proceeds to the Estate**

As noted above, the Trustee has revised the scheduled distribution of sale proceeds to comport with the Debtors' homestead exemption rights. The revised schedule is as follows.

\$2,860,000.00	Sale Price
\$45,000.00	Property Taxes (delinquent and ongoing)
\$1,650,243.80	Shellpoint Mortgage Servicing (1 <sup>st</sup> DOT)
\$150,000.00	First Choice Bank (2 <sup>nd</sup> DOT)
\$410,000.00	Comerica Bank (3 <sup>rd</sup> DOT)
\$191,000.00	Valley Economic Development Center ("VEDC") (4 <sup>th</sup> DOT)
\$273,325.00	Subordinated lien/carve out from Comerica Bank (\$39,325.00) and VEDC (\$234,000.00) (to the Estate) <sup>3</sup>
\$74,649.02	IRS remaining secured lien, less penalty
\$19,819.42	Avoidable IRS penalty (to the Estate) <sup>4</sup>
\$45,962.76	Balance to be paid to Debtor on account of homestead exemption

<sup>3</sup> The entire amount is unencumbered cash for the Estate.

<sup>4</sup> The entire amount is unencumbered cash for the Estate.

The above chart complies with the priority distribution scheme contemplated by California law and the Bankruptcy Code. First, the four consensual lienholders are being paid pursuant to the security agreements and their respective deeds of trusts. Second, the consensual liens that were transferred to the Estate are being paid pursuant to the same security agreements and their respective deeds of trust. Third, the IRS secured claim is being paid as it is a statutory lien not subject to Debtors' claimed exemption. Fourth, the portion of the IRS lien that is avoidable and recoverable for the benefit of the Estate is being paid as it is a statutory lien not subject to Debtors' claimed exemption. Fifth, the Debtors are being paid their homestead exemption with the remaining funds. Given the expected distributions, \$293,144.42 will be generated from the sale for the benefit of creditors of the Estate.

**D. The Proposed Sale Satisfies the Requirements of *In re KVN***

The Debtors argue the sale of the Property is subject to the heightened scrutiny described in *In re KVN*, and that the Trustee has not rebutted the presumption of impropriety. See Objection 1, p.4:9-5:18; Objection 2, p.10:7-22. While the Trustee does not believe that the subordination provisions set forth in the Agreements constitute carve-outs, and that therefore the proposed sale is not subject to the standards set forth in *In re KVN Corporation*, 514 B.R. 1, 8 (9th Cir. BAP 2014), the proposed sale nevertheless satisfy those requirements.

Before fully encumbered property may be sold, the Trustee must overcome the rebuttable presumption of impropriety. See *id.* at 8. "To rebut the presumption, the case law directs the following inquiry: Has the trustee fulfilled his or her basic duties? Is there a benefit to the estate; i.e., prospects for a meaningful distribution to unsecured creditors? Have the terms of the carve-out agreement been fully disclosed to the bankruptcy court? If the answer to these questions is in the affirmative, then the presumption of impropriety can be overcome." *Id.*

The answer to each of these questions is a resounding yes. First, the Trustee has fulfilled his basic duties. Second, there is a benefit to the Estate in the form of a

1 meaningful distribution to unsecured creditors. The sale of the Property will generate  
2 approximately \$293,144.42 for the Estate. Lastly, the terms of the subordination  
3 agreements have been fully disclosed to the Court, in the body of the 9019 Motion and in  
4 the Agreements themselves, as well as in the Sale Motion. Therefore, to the extent that  
5 the sale of the Property contemplated in the Agreements and the Sale Motion is subject to  
6 the standards set forth in *In re KVN*, those standards have been met.

7 **E. The Proposed Sale Will Generate Significant Funds for Unsecured**  
8 **Creditors**

9 Debtors argue that the Trustee and his professionals are the “primary financial  
10 beneficiaries of the sale,” assuming without any knowledge that Trustee’s counsel has  
11 incurred over \$60,000 in attorney’s fees, that the Trustee will demand the full statutory  
12 compensation he is entitled to of \$90,050.00, and that the broker’s commission will total  
13 \$157,300.00. See Objection 2, p. 10:9-13. First, counsel’s fees to date are less than  
14 \$30,000.00.<sup>5</sup> Second, should the Property be sold for \$2,860,000.00 to the initial bidder,  
15 the broker’s commission will be 4.125% (or \$117,975.00), rather than the 5.5% (or  
16 \$157,000.00) represented in the employment application, as the broker has agreed to  
17 assign 50% of the buyer’s side commission to the Estate for the initial bidder. If the  
18 Property is sold to an overbidder who is represented by the broker, the broker’s  
19 commission will be 2.75% as the broker has agreed to assign the entire buyer’s side  
20 commission to the Estate should the Property be sold to an overbidder represented by the  
21 broker. If the property is sold to an overbidder who is not represented by the broker, the  
22 broker’s commission will be the 5.5% reflected in the employment application. Third, as  
23 set forth in Section II(c) above, counsel’s fees and the Trustee’s compensation are not  
24 immutable. The Trustee and his counsel are committed to providing a meaningful  
25 distribution to unsecured creditors, and to that end will reduce their compensation if

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26  
27 <sup>5</sup> Should the Trustee be obligated to litigate an appeal of the 9019 Motion and/or Sale Motion, counsel’s  
28 fees are likely to be significantly higher than the \$30,000.00 to date listed herein.

1 necessary. As further set forth in Section II(c) above, the Trustee is still pursuing  
2 collection of a judgment of \$753,000.00 which, if the Trustee is successful, will provide  
3 additional funds to pay administrative and unsecured claims.

4 Debtors also argue that the Sale Motion should be denied because the sale will not  
5 generate sufficient funds to pay priority claims in full and therefore general unsecured  
6 creditors will not receive a distribution. Objection 2, p.10:13-14. Debtors misconstrue the  
7 arguably applicable law.<sup>6</sup> *In re KVN* does not require a guaranteed distribution to general  
8 unsecured creditors – it only asks the question “Is there a benefit to the estate; i.e.,  
9 prospects for a meaningful distribution to **unsecured creditors?**” *In re KVN Corporation*,  
10 514 B.R. 1, 8 (9th Cir. BAP 2014) (emphasis added). The sale need not pay priority  
11 unsecured creditors in full, nor guarantee a distribution to general unsecured creditors.  
12 The standard is a meaningful distribution, and as set forth above, the sale will generate  
13 sufficient funds to provide such a distribution.

14 **F. The Debtors’ Request That the Court Order Abandonment of the**  
15 **Property is Procedurally Improper**

16 Lastly, Debtors demand that the Court compel the Trustee to abandon the property  
17 because it is burdensome to the estate and of inconsequential value or benefit to the  
18 estate. Objection 2, p.11:1-19. The Court, however, cannot compel such abandonment  
19 at this time because the Debtors’ motion is procedurally improper.

20 11 U.S.C. § 554(b) provides that “[o]n request of a party in interest and after notice  
21 and a hearing, the court may order the trustee to abandon any property of the estate that  
22 is burdensome to the estate or that is of inconsequential value and benefit to the estate.”  
23 Federal Rule of Bankruptcy Procedure 6007(b) further provides that a party in interest  
24 may request abandonment if they “file and serve a motion requiring the trustee or debtor  
25

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26  
27 <sup>6</sup> The Trustee maintains that the Sale Motion is not subject to the heightened standards laid out in *In re*  
28 *KVN*, but for purposes of addressing Debtors’ argument will assume that the heightened standards apply.

1 in possession to abandon property of the estate.” The Debtors have demanded  
2 abandonment via Objection 2, which pursuant to applicable law is inappropriate.  
3 Further, on the merits, any request for abandonment should be denied because as set  
4 forth above, the Property is of value and benefit to the estate and should be sold for the  
5 benefit of the Debtors’ creditors.

6 **IV. CONCLUSION**

7 For the reasons set forth herein, the Court should overrule the Debtors’ objections  
8 and grant the 9019 Motion and the Sale Motion.

9  
10 Dated: October 5, 2021

WEILAND GOLDEN GOODRICH LLP

11  
12 By: /s/ David M. Goodrich  
13 DAVID M. GOODRICH  
14 Counsel for Chapter 7 Trustee  
15 Richard A. Marshack  
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## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

**650 Town Center Drive, Suite 600  
Costa Mesa, California 92626**

A true and correct copy of the foregoing document entitled (*specify*): Omnibus Reply To Debtors' (1) Opposition To Chapter 7 Trustee's Motion For Order Approving Compromise Of Controversy Pursuant To Federal Rule Of Bankruptcy Procedure 9019 And (2) Omnibus Opposition To Motion To Approve Compromise And Motion To Approve Sale will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) October 5, 2021, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

David M Goodrich dgoodrich@wglp.com,  
kadele@wglp.com;lbracken@wglp.com;wggllp@ecf.courtdrive.com;gestrada@wglp.com  
Lance N Jurich ljurich@loeb.com, karnote@loeb.com;ladoocket@loeb.com;ljurich@ecf.courtdrive.com  
Christopher J Langley chris@slclawoffice.com, omar@slclawoffice.com;langleycr75251@notify.bestcase.com  
George C Lazar glazar@foxjohns.com  
Richard A Marshack (TR) pkraus@marshackhays.com,  
rmarshack@iq7technology.com;ecf.alert+Marshack@titlexi.com  
Donald W Reid don@donreidlaw.com, ecf@donreidlaw.com  
Avi Schild bk@atlasacq.com  
United States Trustee (SA) ustpreion16.sa.ecf@usdoj.gov  
Robert P Zahradka rzahradka@nationalfunding.com

☐ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On (*date*) October 5, 2021, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) October 5, 2021, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

10/5/2021  
Date

Gloria Estrada  
Printed Name

  
Signature

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.